

SanfordHolshouser

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May 10, 2021

Joint Legislative Committee on Local Government
Co-Chairs Sen. McInnis and Rep. Warren
Legislative Building
16 West Jones St.
Raleigh, NC 27601

Fiscal Research Division
Attention: Director
North Carolina General Assembly
300 North Salisbury St., Suite 610
Raleigh, NC 27603

**Notice to the Joint Legislative Committee on Local Government
Concerning Proposed Financing by the Town of Fuquay-Varina**

To the Committee:

As counsel to the Town of Fuquay-Varina, North Carolina, and as required under N.C. Gen. Stat. Section 120-157.2, I am providing this notice of a proposed local government capital project that requires approval of the North Carolina Local Government Commission and requires debt to be issued in an amount exceeding \$1,000,000. Here is information about the proposed financing –

Project description and amounts to be financed	Transportation Improvements - \$20,000,000 Parks & Recreation Facilities - \$18,500,000
LGC meeting for consideration	July or August, 2021
Type of financing	Voter-approved general obligation bonds
Other sources of financing	The Town expects that the amount borrowed will pay substantially all the costs of the project.

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Estimated financing term	The Town expects a financing term of approximately 20 years, which is less than the expected useful life of the property being financed.
Expected source of repayment	General fund revenues

The Town expects to issue the bonds over the course of the seven-year authorized period if the bonds are approved. The Town expects that interest rates will vary widely over that time. The Town expects that all bonds will be amortized over approximately 20-year terms. The Town expects that the bonds will have a substantially level-principal amortization. The Town plans to be flexible in setting the amortization schedules within legal constraints and with LGC approval.

Please let me know if you have additional questions or comments for me about this proposed financing.

Very truly yours,



Sam Smotherman

cc: Sharon G. Edmundson, Secretary of the Local Government Commission
c/o Tony Blalock
Fuquay-Varina officials
Representatives of Davenport & Company LLC
(each by electronic mail)
Also to reports@ncleg.net